



116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 2006

H.P. 1480

House of Representatives, April 7, 1994

An Act to Establish Procedures for Secession and Annexation.

Reported by Representative JOSEPH for the Joint Standing Committee on State and Local Government pursuant to Joint Order H.P. 1475.

W. Mayo

JOSEPH W. MAYO, Clerk

| 2 4 6 8 | Mandate preamble. This measure requires one or more local units of government to expand or modify activities so as to necessitate additional expenditures from local revenues but does not provide funding for at least 90% of those expenditures. Pursuant to the Constitution of Maine, Article IX, Section 21, two thirds of all of the members elected to each House have determined it necessary to enact this measure. |
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| 10 | Be it enacted by the People of the State of Maine as follows: |
| | Sec.1. 5 MRSA §12004-L, sub-§11 is enacted to read: |
| 12 14 | 11. CommissionNot30-A MRSAon SecessionAuthorized§2167 |
| 16 | Sec. 2. 30-A MRSA c. 113, first 2 lines are repealed and the following enacted in their place: |
| 18 | CHAPTER 113 |
| 20 | CONSOLIDATION, SECESSION AND ANNEXATION |
| 22 | SUBCHAPTER I |
| 24 | |
| 26 | CONSOLIDATION |
| 28 | Sec. 3. 30-A MRSA c. 113, sub-c. II is enacted to read: |
| 30 | SUBCHAPTER II |
| 32 | SECESSION AND ANNEXATION |
| | §2161. Secession of territory from a municipality |
| 34 | Territory that is situated within a municipality may secede from the municipality in accordance with this subchapter. |
| 38 | §2162. Initiation of secession procedure |
| 40 | A secession proceeding must be initiated by submitting to |
| 42 | <u>the municipality a petition signed by 10% of the registered voters within the secession territory, requesting a municipal</u> |
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| 44 | <u>meeting for the purpose of discussing whether a specified</u> territory should begin the secession procedure. The petition |
| • | territory should begin the secession procedure. The petition must set forth the physical boundaries of the secession |
| 46 | territory should begin the secession procedure. The petition must set forth the physical boundaries of the secession territory, the resident population, the nonresident population and a list of no more than 5 people who will serve as |
| • | territory should begin the secession procedure. The petition must set forth the physical boundaries of the secession territory, the resident population, the nonresident population |

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§2163. Initial secession meeting

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| 4 | The municipal officers shall call and hold a special |
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| 6 | meeting, in the manner provided for the calling and holding of town meetings to discuss secession, which must be conducted in |
| • | accordance with the following: |
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| 10 | <u>Meeting</u> advertised. The municipal officers shall publish notice of the meeting in a newspaper of general |
| | circulation in the area. One notice must be published as close |
| 12 | <u>to the 14th day before the meeting as possible and the 2nd notice</u> must be published as close to the 7th day before the meeting as |
| 14 | <pre>possible;</pre> |
| 16 | 2. Secession meeting. The meeting must include a formal |
| 18 | presentation by those initiating the petition and must include |
| 10 | the reasons for secession; and |
| 20 | 3. Nonresidents eligible to participate. Nonresidents may |
| | participate in the meeting at the discretion of the moderator. |
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| | <u>§2164. Petition for continuation of procedure</u> |
| 24 | |
| 26 | After 30 days from the initial meeting, the secession |
| 26 | <u>procedure may continue. The proceeding must be initiated by submitting to the municipality within 7 months following the</u> |
| 28 | initial petition meeting, a petition of the registered voters |
| 20 | within the proposed secession territory, requesting the creation |
| 30 | of a local secession committee. The petition must include 50% of |
| | registered voters for a secession territory with a population of |
| 32 | 500 or less, 35% of registered voters in a secession territory |
| | with a population of 501 to 1500 and 25% of registered voters in |
| 34 | a secession territory with a population greater than 1500. The |
| 36 | <u>population is determined at the initiation of the petition</u> process according to the last Decennial Census. The number of |
| 50 | registered voters is determined by the registrar in accordance |
| 38 | with Title 21-A, chapter 3, subchapter IV. The petition must set |
| | forth a physical description of the proposed secession territory |
| 40 | <u>as well as a summary of the reasons for secession.</u> |
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| 42 | <u>§2165. Creation of local secession committee</u> |
| 44 | If the required number of voters sign a petition, a local |
| | secession committee must be created to develop the secession |
| 46 | procedure. The local secession committee consists of the |
| | following 7 members: 3 representatives of the municipality that |
| 4 8 | the secession territory is proposing to secede from, elected by |
| - 0 | the municipal officers; 3 representatives of the secession |
| 50 | territory chosen by the representatives established in section |

| | 2162; and one representative selected jointly by the selected |
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| 2 | <u>municipal representatives and the selected secession</u> |
| | representatives, who serves as chair of the proceedings. |
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| | §2166. Local secession committee procedure |
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| | The local secession committee, with the assistance of the |
| . 8 | <u>Commission on Secession, shall develop a secession procedure</u> |
| | that, at a minimum, consists of the following components. |
| 10 | |
| | 1. Effective date. The secession procedure must establish |
| 12 | a date on which secession will be effective. |
| 14 | 2. Provision of educational services. The secession |
| | procedure must include a plan for the provision of educational |
| 16 | services, including school transportation services for all |
| | students in the proposed secession territory. |
| 18 | |
| | 3. Distribution of tangible assets and liabilities. The |
| 20 | secession procedure must require that the proposed secession |
| | territory assume its just and due proportion of the debts of the |
| 22 | municipality and receive its just and due proportion of the |
| | assets of the municipality. |
| 24 | · · · · · |
| | 4. Information about municipality. The local secession |
| 26 | procedure must include, at a minimum, the following information: |
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| 28 | A. Present population, past population growth and projected |
| | population for the secession territory; |
| 30 | |
| | B. Quantity of land within the secession territory proposed |
| 32 | for incorporation; the natural terrain of the area including |
| | general topography, major watersheds, soil conditions; and |
| 34 | such natural features as rivers and lakes; |
| | |
| 36 | C. Present pattern of physical development in the secession |
| | territory including residential, industrial, commercial, |
| 38 | agricultural and institutional land uses; and the present |
| | transportation network and potential transportation issues, |
| 40 | including proposed highway development; |
| | |
| 42 | D. Land use controls and planning presently being utilized |
| | in the secession territory, including comprehensive plans |
| 44 | for development in the secession territory; |
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| 46 | E. Present governmental services being provided to the |
| | area, including water and sewer service, fire protection, |
| 48 | police protection, street improvements and maintenance, |
| | administrative services and recreational facilities; |
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Existing or potential problems of environmental <u>F</u>. pollution and the need for additional services to resolve 2 these problems; Δ G. Fiscal data of the secession territory, including the б net tax capacity of the proposed secession territory and the impact on the municipality from which the territory proposes to secede; the present bonded indebtedness; and the local 8 tax rates of the county, school district and municipality; 10 Effect of the proposed incorporation on communities н. 12 adjacent to the secession territory and on school districts within and adjacent to the secession territory; and 14 I. Adequacy of town government to deliver services to the 16 secession territory. 18 In developing the secession procedure, the local secession committee shall work closely with the Commission on Secession. 20 The local secession committee shall submit the proposed secession procedure to the Commission on Secession for review. 22 §2167. Commission on Secession 24 The Commission on Secession, as established in Title 5, 26 section 12004-L, subsection 11, and referred to in this subchapter as the "commission," shall assist local secession 28 committees in formulating secession procedures. In addition, the commission shall review these secession procedures as provided in 30 this subchapter. 1. Membership. The commission consists of the following 5 32 members: 34 A. The Commissioner of Education or the commissioner's designee; 36 38 B. The State Auditor or the auditor's designee; 40 C. The State Tax Assessor or the assessor's designee; 42 The Commissioner of Environmental Protection or D. commissioner's designee; and 44 E. A commissioner from the Public Utilities Commission or a 46 commissioner's designee. 48 2. Responsibilities. The commission shall:

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- A. Assist municipalities in preparing the secession procedures as required in section 2166;
- B. Review each secession procedure and provide comments and suggestions with respect to the procedure;
 - <u>C. Recommend alternatives to secession if the commission</u> finds that feasible alternatives exist; and
- 10D. Within 30 days after receiving the proposed secession
procedure, provide copies of its review and comments on the
secession procedure to the municipal officers, the local
secession committee and to the Executive Director of the
Legislative Council, who shall provide it to the joint
standing committee of the Legislature having jurisdiction
1616over local government matters.
 - 3. Chair. The commission members shall annually elect a chair from among its members.

<u>§2168. Arbitration</u>

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If the local secession committee does not reach consensus, 24 it shall submit any matters remaining in dispute to a panel of arbitrators and shall reduce to writing all agreed-upon matters. The panel of arbitrators consists of one arbitrator selected by 26 the municipality, one arbitrator selected by the secession group 28 and one neutral arbitrator selected jointly by the 2 other arbitrators. The local secession committee shall pay its chosen 30 arbitrator, the municipality shall pay its chosen arbitrator and the municipality and the local secession committee shall each pay 32 half of the cost of the neutral arbitrator. Determination of disputed matters by the panel of arbitrators is final and binding 34 on the parties. The arbitration must be administered under the auspices of the American Arbitration Association and, except for 36 the selection of arbitrators, is governed by the commercial rules and procedures of the American Arbitration Association, and the concept of "last best offer" must be used. These issues must be 38 resolved no later than 90 days before a referendum.

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§2169. Secession final report

The local secession committee may incorporate the comments44and suggestions received from the commission into the secession46procedure. In its report the local secession committee shall46note those areas in which it did not incorporate the comments or48doing so. The local secession committee shall immediately notify48the municipal officers when the secession procedure has been50completed and shall provide a copy of the final report to the

Executive Director of the Legislative Council, who shall provide it to the joint standing committee of the Legislature having jurisdiction over local government matters.

<u>§2170. Final approval by the voters</u>

The question concerning secession must be presented to the8voters of the secession territory in the next general election to
be held in November. The election must be conducted according to10the following procedures.

1. Question posed to voters. The municipal clerk shall prepare the ballots on which the following question must appear:

"Do you favor the separation of (name of secession territory) from (name of municipality) and its incorporation as a separate town?"

2. Requirements for approval. The voters shall indicate 20 their opinion on this question by a cross or check mark placed against the word "Yes" or "No." Before becoming effective, the 22 secession must be approved by at least 2/3 of the voters.

24 3. Declaration of results. The municipal officers shall declare the result of the vote. The municipal clerk or the assessor of the plantation shall file a certificate of the election result with the Secretary of State within 10 days of the election.

30 §2171. Advisory referendum

32 The municipality from which the secession has been proposed may conduct an advisory referendum on the question of secession 34 in the same manner as in section 2170.

36 §2172. Approval by the Legislature

38 <u>Any municipality that has approved a secession procedure</u> <u>under this subchapter shall request before the effective date of</u> 40 <u>secession approval by the Legislature in order for the secession</u> to become effective.

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§2173. Concurrent secession and annexation

Property of one municipality that abuts another may 46 <u>concurrently secede and be annexed in accordance with this</u> <u>subchapter, except that the following also applies.</u>

 Petition. An area proposing to concurrently secede and
 be annexed must indicate on the petition in section 2164 the community to which it wishes to be annexed.

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| 2 | 2. Inclusion in secession procedure. A petition for |
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| | <u>concurrent secession and annexation under this section must be</u> |
| 4 | included in any information required by sections 2166 and 2167. |
| б | 3. Approval by voters; secession territory. The question |
| ~ | concerning concurrent secession and annexation must be presented |
| 8 | to the voters of the secession territory in place of the question |
| | set out in section 2170 for the proposed secession territory in |
| 10 | the following manner. |
| 12 | A. The municipal clerk shall prepare the ballots on which |
| | the following question must appear: |
| 14 | |
| | "Do you favor the separation of (name of secession |
| 16 | territory), which now lies within (name of |
| | <u>municipality), to become incorporated into the (name of</u> |
| 18 | <u>municipality) ?"</u> |
| 20 | B. The voters shall indicate their opinion on this question |
| | <u>by a cross or check mark placed against the word "Yes" or</u> |
| 22 | "No." Before becoming effective, the secession and |
| | annexation must be approved by 2/3 of the voters. |
| 24 | |
| | <u>C. The municipal officers shall declare the result of the</u> |
| 26 | vote. The municipal clerk shall file a certificate of the |
| • | <u>election result with the Secretary of State within 10 days</u> |
| 28 | of the election. |
| 30 | 4. Approval by voters; municipality. The question |
| | concerning concurrent secession and annexation must be presented |
| 32 | to the voters of the municipality to which the secession |
| | territory proposes to be annexed in the following manner. |
| 34 | |
| | A. The municipal clerk shall prepare the ballots on which |
| 36 | the following question must appear: |
| 38 | "Do you favor the acceptance of (name of secession |
| 00 | territory), which now lies within (name of |
| 40 | municipality), to become incorporated into the (name of |
| ŦŪ | municipality) ?" |
| 42 | <u>municipalicy/ :</u> |
| 14 | B. The voters shall indicate their opinion on this question |
| 44 | by a cross or check mark placed against the word "Yes" or |
| 11 | <u>"No." Before becoming effective, the secession must be</u> |
| 46 | approved by a majority of the voters. |
| ŦŪ | approved by a majority of the voters. |
| 48 | <u>C. The municipal officers shall declare the result of the</u> |
| | vote. The municipal clerk shall file a certificate of the |
| 50 | election result with the Secretary of State within 10 days |
| | of the election. |

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FISCAL NOTE

4 This bill requires municipalities to employ certain procedures in the event of the initiation of secession by a territory within the municipality. The additional costs of this 6 state mandate will depend on the number of secessions and annexations initiated under the procedures of this bill, which 8 can not be estimated at this time. Pursuant to the mandate 10 preamble, the 2/3 vote of all members elected to each House exempts the State from the constitutional requirement to fund 90% 12 of the additional local costs.

14 The additional costs to participate on the Commission on Secession can be absorbed by the Department of Education, the Department of Audit, the Bureau of Taxation, the Department of Environmental Protection and the Public Utilities Commission 18 utilizing existing budgeted resources.

STATEMENT OF FACT

This bill establishes standards and procedures for secession and annexation.

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